

DATE: October 24, 2011

TO: Procurement Directors

FROM: Director (

Contract and Financial Assistance Policy Division

Office of Policy

Office of Procurement and Assistance Management

SUBJECT: Acquisition Letter on Allowability of Incurred Costs Due to

Contractor Errors

SUMMARY: The attached Acquisition Letter has been issued to provide application guidance to contracting officers for determining the allowability of incurred costs due to contractor errors. It applies to all contracts, including management and operating contracts, whose price or cost reimbursement is based on estimated or incurred costs.

This Flash will be available online at the following website: http://energy.gov/management/office-management/operational-management/procurement-and-acquisition/policy-flashes.

Questions concerning this policy flash should be directed to Michael Righi of the Contract and Financial Assistance Policy Division, Office of Policy, Office of Procurement and Assistance Management at (202) 287-1337 or Michael.Righi@hq.doe.gov.

Attachment